



California Fair Political Practices Commission

March 13, 1989

Robert S. Allen
223 Donner Avenue
Livermore, CA 94550

Re: Your Request for Advice
Our File No. A-89-018

Dear Mr. Allen:

You have requested advice under the contribution limitation provisions of the Political Reform Act.^{1/}

QUESTION

Is it necessary to comply with the new provisions of the Political Reform Act (Proposition 73, June 7, 1988 state election, operative January 1, 1989) if the sole purpose of fundraising is to pay off deficits from past elections?

CONCLUSION

Regardless of the purpose for which the funds will be used, any contributions solicited or received on or after January 1, 1989, must be in compliance with the contribution limitations of Proposition 73. In addition, all other provisions of the new law apply to fundraising which occurs on or after January 1, 1989.

ANALYSIS

Proposition 73 was passed by the voters at the June 7, 1988 statewide general election. Its provisions became operative on January 1, 1989. Proposition 73 imposes contribution limitations on the amounts which may be solicited or received by a candidate or committee. In addition, Proposition 73 provides that candidates must comply with certain requirements concerning the solicitation and receipt of campaign contributions.

^{1/} Government Code Sections 81000-91015. All statutory references are to the Government Code unless otherwise indicated. Commission regulations appear at 2 California Code of Regulations Section 18000, et seq. All references to regulations are to Title 2, Division 6 of the California Code of Regulations.

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The contribution limitations are set out in Sections 85301 and 85303. The definitions are contained in Section 85102.

The contribution limitations are summarized below. The limitations apply to the amount of contributions which may be accepted by a candidate or officeholder from a single contributor during a fiscal year (July 1 through June 30):

From a "person" (includes an individual, proprietorship, firm, partnership, joint venture, syndicate, business trust, company, corporation, association, committee or labor organization): No more than \$1,000

From a "political committee" (means a committee of persons which receives contributions from two or more persons and acting in concert makes contributions to candidates): No more than \$2,500

From a "broad based political committee" (means a committee of persons which has been in existence for more than six months, receives contributions from one hundred or more persons, and acting in concert makes contributions to five or more candidates): No more than \$5,000

The new law also provides:

Prior to the solicitation or receipt of any contribution or loan, an individual who intends to be a candidate for an elective office shall file with the commission a statement signed under penalty of perjury of intention to be a candidate for a specific office.

(Section 85200.)

In addition, Section 85201(a) provides:

Upon the filing of a statement of intention pursuant to Section 85200, the individual shall establish one campaign contribution account at an office of a financial institution located in the state.

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Enclosed for your information are the "Candidate Intention" (Form 501) and the "Campaign Bank Account" statement (Form 502), along with an explanation of their use, and instructions for completing the forms.


You mentioned that you have not formed a committee. Please note that under the new provisions of Proposition 73, if you receive contributions totalling \$1,000 or more in a calendar year, you must create a recipient committee. To create a committee, file a "Statement of Organization" (Form 410). Enclosed please find a Form 410. Instructions for completing the form, and information about where to file are included on the cover page and in the instructions for the form.

Also enclosed for your information is a copy of the "Political Reform Act Of 1974, As Amended To January 1, 1989." This pamphlet version of the Act includes the new provisions enacted by the passage of Proposition 73.

I hope this adequately answers your questions. If you have any further questions, please call me at (916) 322-5662.

Sincerely,

Diane M. Griffiths
General Counsel


By: Jeanne Pritchard
Division Chief
Technical Assistance and
Analysis Division

FPPC

JAN 3 8 41 AM '89

223 Donner Avenue
Livermore, CA 94550

December 29, 1988

California Fair Political Practices Commission
428 J Street, Suite 800
Sacramento, CA 95814

Friends:

This inquiry regards the Campaign Expenditures report that closes December 31, 1988.

I filed and ran for BART Director District 5 in last month's election. One of my major expenditures is for the Candidate's Statement of Qualification sent with the sample ballots.

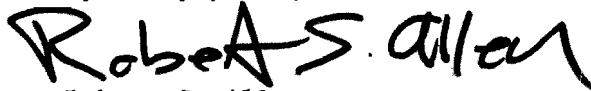
The reporting period ends December 31. I have not yet received billing for the Candidate's S/Q; BART advises that they have not yet been told by Alameda County how much it will be.

It appears that I will not receive billing during this reporting period. New rules take effect January 1. Will my reporting and fund-raising to pay off my deficit from last month's election be under the new rules, or may I continue to raise money and pay off the old deficit under the old rules?

I have not formed a "Committee", but as a candidate I have been using "Keep Allen on BART" and a separate bank account under that name to handle campaign funds.

My understanding is that effective January 1 candidates must form committees and use the new rules. Is that necessary if the sole purpose of the fund-raising is to pay off deficits from past elections (in my case, the November, 1988 election)?

Very truly yours,

A handwritten signature in black ink that reads "Robert S. Allen". The signature is stylized, with the first letters of the first and last names being large and prominent.

Robert S. Allen

(415) 449-1387

PPC
Jan 3 8 41 AM '89

223 Donner Avenue
Livermore, CA 94550

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428 J Street, Suite 800
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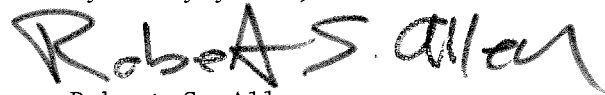
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Very truly yours,



Robert S. Allen

(415) 449-1387



California Fair Political Practices Commission

January 5, 1989

Robert S. Allen
223 Donner Avenue
Livermore, CA 94550

Re: 89-018

Dear Mr. Allen:

Your letter requesting advice under the Political Reform Act was received on January 3, 1989 by the Fair Political Practices Commission. If you have any questions about your advice request, you may contact me directly at (916) 322-5662.

We try to answer all advice requests promptly. Therefore, unless your request poses particularly complex legal questions, or more information is needed, you should expect a response within 21 working days if your request seeks formal written advice. If more information is needed, the person assigned to prepare a response to your request will contact you shortly to advise you as to the information needed. If your request is for informal assistance, we will answer it as quickly as we can. (See Commission Regulation 18329 (2 Cal. Code of Regs. Sec. 18329).)

You also should be aware that your letter and our response are public records which may be disclosed to the public upon receipt of a proper request for disclosure.

Very truly yours,

A handwritten signature in cursive script, reading "Jeanne Pritchard", is written over the typed name.

Jeanne Pritchard
Chief

Technical Assistance and Analysis
Division

JP:ld